

**MINUTES OF THE LOCAL MEETING OF THE  
WASHINGTON STATE TRANSPORTATION COMMISSION  
September 16, 2008**

The local jurisdiction meeting of the Washington State Transportation Commission was called to order at 8:30 a.m., on Tuesday, September 16, 2008 at the Kitsap Conference Center at Bremerton Harborside, 100 Washington Avenue, Bremerton, Washington.

Commissioners present at the meeting were: Chair Dan O'Neal, Bob Distler, Dick Ford, Elmira Forner, Carol Moser, Philip Parker and Latisha Hill.

**CHAIRMAN WELCOME AND COMMISSION INTRODUCTIONS**

Chair O'Neal introduced Commissioners and welcomed meeting participants and guests.

**CITY OF BREMERTON**

Mayor Cary Bozeman, explained that Bremerton is a very poor city, ranked with the lowest per capita income of the top 25 cities in the four-county region. Since Initiative 695 passed there are no funds to keep up road infrastructure, so it's patched. Street repairs are done on a 75-year cycle when the actual need is every 15 years. The regressive tax system promotes sprawl and sales tax receipts are greater than property tax, so retail moves out of the city core to avoid paying the high rent. Bremerton is constrained by geography and has been declining for 30 years with shipyard employees retiring and many employees moving to the county where it's cheaper.

The biggest opportunity to raise transportation dollars would be a Motor Vehicle Excise Tax. Mayor Bozeman believes that people would be somewhat receptive if they knew that it would go to transportation. Ferry fares are about as high as they can go; hopefully the current level of service can be maintained. The ferry system is a culture of this state and needs to be fixed.

Phil Williams, Public Works Director, explained that Bremerton's primary corridors are state highways. The city street infrastructure was built during World War II when the population was 80 thousand, whereas the current population is near 40 thousand. By creating more multi-modal opportunities we are trying to turn Bremerton into a commerce center for Kitsap County. Authorization of a local motor vehicle excise tax would be a good thing, although not a single jurisdiction has imposed it. He provided a brief overview of the increased cost of labor and asphalt for road repair. In closing he noted that the county is very aware of the issues with the ferry system.

Chair O'Neal indicated that the Commission is focused on finding workable answers for the ferry system's needs.

Commissioner Distler agreed with the Chairman noting that all of the parties involved realize that there is no magic fix for the system's woes. He concurs that the current service level should be maintained.

Commissioner Ford expressed that he hopes that Kitsap County will seriously look at a passenger only ferry system.

Chair O'Neal acknowledged Representative Seaquist's presence.

## **KITSAP COUNTY AND THE REGION**

### **Kitsap Regional Coordinating Council**

Mary McClure, Executive Management, explained that Kitsap County is uniquely located in the Puget Sound region, is the home of the third largest Naval Base in the nation and a recreational gateway to the Olympic Peninsula. Most of the county residents work in surrounding counties and use the ferry system as a primary mode of transportation. The ferry system is the rhythm of Kitsap County. Kitsap Transit has made a strong focus on ferry connectivity with transit services at the Bremerton Transportation Center and ferry terminal. The County also has bike paths and freight movement to and through the County on its radar screen. She provided highlights of a concept plan for a 3400-acre South Kitsap Industrial area that will provide over 14 thousand jobs when completed. The County is also sponsoring a telework toolkit on its website to encourage a reduction in peak travel loads. In closing she expressed that Kitsap County wants to partner with WSDOT in looking for creative solutions to solve the ferry system's operational shortfall.

### **Kitsap County**

Ed Stern, City of Poulsbo, explained that Kitsap County has had a transportation dilemma since the end of World War II when primary jobs were created outside of the County. At that time jobs coordinated with the geography, but now jobs are outside the County. Due to the economic times teleworking and telecommuting need to be a strong consideration. The take away from today's presentation is--help Kitsap County with economic development objectives and transportation alternatives in order to save money.

Ms. McClure wrapped up the presentation with an overview of the telework project and the benefits of partnering with WSDOT/WSF. She briefly addressed WSF Level of Service, equitable fare and tolling recovery, as well as adequate transit/ferry connections on both sides.

### **Suquamish Tribe**

Leonard Forsman, Tribal Council Chair, provided a bit of Suquamish tribal history. He explained that the tribe is balancing the harvest of shellfish and salmon with economic development and transportation. The tribe has made a lot of capital investment in a new pier and tribal house. The tribe has very little waterfront ownership because the reservation is a checkerboard. He explained that the tribe employs 600-700 people, which makes transportation in the area important to the tribe.

### **Port Gamble-S'Klallam Tribe**

Ron Charles, Tribal Council Chair, explained that the tribe's reservation is 1700 acres with 600 members living there. The tribe is impacted by the Hood Canal Bridge as well as by ferries. The health of the marine ecosystem is critical, and the replacement of improper culverts for fish passage is necessary. The tribe has a very good working relationship with WSDOT. He briefly commented that the foot ferry landing at Lofall has been a good government to government experience.

## **OLYMPIC PENINSULA COUNTIES AND PENINSULA TRPO**

### **Peninsula RTPO**

Patrick Babineau, PRTPO Coordinator, explained that the RTPO covers four counties including Kitsap. Today's focus will be on Clallam, Jefferson and Mason counties. He explained that the Growth Management Act needs better enforcement and tweaks to manage sprawl, because the area is experiencing a lot of rural growth. It is hoped that the price of gas will compact growth and change how people view and use the peninsula recreationally. The vision is to find creative ways to encourage more mass transit within the counties, and to funnel the population into urban areas to stabilize community growth. Concurrency issues are not at all like the rest of Central Puget Sound.

### **Clallam County**

John Beitzel, Peninsula RTPO Transportation Policy Board, shared that Sequim is a rural community of 6-thousand people surrounded by 25-thousand people who use it as a market center. The area is extremely dependent on Highway 101 and can be cutoff if the highway is obstructed for any reason. There is a three-mile stretch on the highway between Sequim and Port Angeles that needs safety and capacity improvements. The number one priority of the RTPO is the completion of repairs to the Hood Canal Bridge. The community is discussing the option of ferry access for alternative transportation in the event of natural disaster.

### **Jefferson County**

Commissioner David Sullivan shared that Jefferson County is the second oldest county in the state. The County can become isolated very easily because it is a peninsula on a peninsula. Options need to be developed that provide access to the area. One option would be a ferry between Edmonds and Port Townsend or Port Ludlow and Kingston. The ferry reservation system is getting good marks, but people are uncertain. The County has worked closely with WSDOT on corridor improvements and has even used some of its STP funding for improvements, which has put a strain on the County's road budget. Gas prices have increased transit ridership and a lot more people would be willing to use transit routes that now that have failed in the past. Jefferson County also has access issues with Highway 101. Other issues include the Hoh River and Oil City Roads that have regular washouts and are very difficult to maintain. It doesn't make sense for the County to own and maintain these roads.

### **Mason County**

Commissioner Lynda Ring-Erickson explained that businesses are hesitant to locate on the peninsula because of the highway network. The region has been working together for three years on regional issues such as; safety and freight mobility as well as transit services. This collaboration has been effective in planning for urban grid. They are seeking transition funding for these areas.

Secretary Hammond asked questions regarding project coordination and funding on Highway 20/Port Townsend. Secretary Hammond asked what funding source recommendations would be proposed for transportation projects in rural areas. Mr. Sullivan responded that the project is not funded and the state needs to think about this when doing its GMA planning.

### **WASHINGTON STATE DEPARTMENT OF TRANSPORTATION –OLYMPIC REGION**

Kevin Dayton, Regional Administrator, provided highlights of regional successes and other projects. He explained that this has been a very aggressive highway construction season for the Olympic region. He provided an overview of various corridor projects that are ongoing or completed throughout the region. A brief tour of the Bremerton Transportation Center ferry terminal tunnel followed the presentation.

### **FERRY FINANCE LEGISLATION/WASHINGTON STATE FERRIES LONG RANGE PLAN DEVELOPMENT**

David Moseley, Assistant Secretary, WSF, opened the presentation with an overview of public outreach efforts over the last few months. The collection of public input is leading up to building the Long-Range Plan for the ferry system. In response to ESHB 2358 WSF is looking a maximizing existing capacity, efficient use of existing assets, adaptive management practices and continuous quality improvement. Long-Range Plan elements will include:

- Base conditions –what it will take to maintain current program.
  - Operate the current service plan
  - Maintain, preserve and replace existing capital facilities
- Identify and analyze options to address growth and operational improvements.
  - Strategies
    - Reservations
    - Pricing
    - Transit enhancements
    - Other
- Service Options

Commissioner Distler questioned if great weight is placed on what is heard at outreach meetings, or are ideas placed in the hopper for consideration. Mr. Moseley responded that FAC meetings are not the only discussions occurring. There are discussions with community groups, elected officials and Regional Transit Coordinating Committees. All interested group comments are included for consideration.

Ray Deardorf, Planning Director, Finance, WSF, explained that since the Ferries Division lost the dedicated MVET funding in 2000, the funding gap has been mostly made up by transfers from other transportation accounts. Even with significant fare increases, more than \$300 million of discretionary transportation funds have been used to support operations since 2000.

The capital program, which is 100 percent tax supported, has received more than \$325 million in discretionary support and \$250 million in bond proceeds since 2000. He provided an overview of what it will take to meet the core capital needs of the base, as well as addressing system improvements and growth for future needs.

The 2008 revised Long-Range Plan must meet the needs of the system by balancing three key variables:

- Operational and pricing strategies
- Service changes
- Level of Service standards

There is tension among these variables because changes in one impact the others. Each combination will have different costs, impacts and benefits. WSF is continuing to evaluate all major strategies that are determined to be potentially effective. The Draft Long-Range Plan will be released for JTC and FAC, stakeholder and public review in mid-November.

### **2008 FERRY CUSTOMER SURVEY-UPDATE**

Rebecca Elmore-Yalch, Senior Vice President, Opinion Research Northwest, shared that the on-board surveys have been completed. The survey effort was highly successful, with return rates meeting or exceeding original estimates. There were more than 13 thousand on-board surveys and 12 thousand telephone general market surveys (in counties surrounding Puget Sound) completed. Survey respondents feel that half of the cost of maintaining the system should come directly from those riding the ferries while 28 percent of the cost should come from local taxes or fees paid by residents of ferry-served communities and the balance 22 percent of the cost of operating the system should come from state taxes/fees paid by all Washington residents. While Puget Sound residents would like to have riders continue to pay their current share to maintain the system. They would also like to see the ferry communities assume a greater burden for funding the system. Detailed analysis of all data is currently underway and a final comprehensive survey report will be presented to the Commission at its November meeting.

### **LONG-TERM FERRY FUNDING STUDY-UPDATE**

Steve Pickrell, Principal and Senior Vice President, Cambridge Systematics, explained that the purpose of the phase one study completed in January 2008 was to present a comprehensive list of possible funding sources and financing tools drawn from the findings and recommendations of previous studies conducted in Washington State, as well as those used by other ferry systems in the United States and abroad. Phase two of the study is underway and will screen potential funding sources. A comprehensive list of possible funding sources was analyzed to determine which of the sources are most suitable for meeting long-term capital and operating needs. From the comprehensive list a short list of the more promising sources have been identified by the Commission and are being analyzed in more detail. The final funding plan and implementation recommendations will be delivered to the Commission in January 2009.

Commissioner Distler questioned whether local options involving ferry-served communities, be they on the west side of the route structure or on both sides, were part of the mix and which option seemed the most productive at this stage in the study.

Mr. Pickrell responded “yes”.

### **PUBLIC COMMENT**

Don Williams, citizen of Ocean Shores/Tacoma, shared that he feels Kitsap County’s economic development plan at the airport is the same as it was 15-20 years ago. It seems that the county does not want to have economic development. The problem is the jobs that would be created are manufacturing jobs and it’s not that easy to get to the county. There are tolls on the TNB and ferry fares that cost a lot for 18 wheelers. Maybe the answer is rail lines....perhaps utilizing the Economic Partnership Program would help with this. He also feels that the idea of telecommuting is not effective and probably won’t succeed.

Alan Mendel, citizen of Vashon Island, stated that there can not be a charge for reservations. There is a lot of resistance to the reservation system right now. If you add a charge to it the resistance will not go away. He initially opposed the reservation system, but is now convinced that it’s a good idea – if there’s no cost. He explained that it was his understanding that the pricing and operational strategies were not proposed to raise revenue, but to shift demand from peak to non-peak times. If revenue needs to be raised then raise the fares. Do it transparently – don’t try to hide it through charges that should be used for something else. Peak period pricing should be used to shift demand from peak to non-peak times not to raise revenue. He also questioned some of the ridership figures from the ferry survey. In closing he distributed a position paper on a number of issues prepared by the Vashon Morey Island Community Council and the Vashon FAC for the Commission’s consideration.

Linda Berry-Maraist, Poulsbo City Council member, briefly touched on ferry funding issues in comparison to transit funding. She explained that the local ferry communities depend on the ferries very much for their daily lives. People are now driving around over the TNB, because the cost of the toll is appealing in comparison to ferry fares. Peak pricing should be given serious consideration. In closing she commented on her involvement with local trails groups. Noting that excess regulations and cost has made it impossible to make trail improvements.

The Commission meeting adjourned at 4:30 p.m., on September 16, 2008.

**WASHINGTON STATE TRANSPORTATION COMMISSION**

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REEMA GRIFFITH, Executive Director

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